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Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

First performance report of the International Criminal Tribunal for Rwanda for the biennium 2010-2011

Report of the Secretary-General

Summary

The first performance report of the International Criminal Tribunal for Rwanda for the biennium 2010-2011 is submitted pursuant to General Assembly resolution 64/239. The present report reflects a reduction in requirements of $19.9 million, net of staff assessment, to the initial appropriation for the biennium 2010-2011. The reduced requirements are the result of changes with respect to exchange rates, inflation and adjustments to standards. The Assembly is requested to approve a revised appropriation for the biennium 2010-2011 in the amount of $226,535,600 gross ($207,354,100 net), reflecting a decrease of $18,760,200 gross ($19,892,400 net).

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I. Introduction

1. The primary purpose of the first performance report is to identify adjustments required owing to variations in the rates of inflation and exchange, and in the standards assumed in the calculation of the initial appropriations.

2. The net decrease in requirements of $19,892,400 for the International Criminal Tribunal for Rwanda resulting from these technical adjustments is shown in tables 1 and 2 below. Table 1 reflects the changes by component and main determining factor, and table 2 reflects the changes by object of expenditure and main determining factors.

3. Explanations of the variations in the costing parameters assumed in the calculation of the initial appropriations are provided in the paragraphs below. In addition, the annex provides the budgetary assumptions used in the initial appropriations for the biennium 2010-2011 and the rates now proposed in the present report.

Table 1
Summary of projected expenditures and income by component and main determining factor
(Thousands of United States dollars)

		Projected changes				
Component	*2010-2011 appropriation*[a]	*Exchange rate*	*Inflation*	*Standards*	*Total*	*Proposed revised appropriation*
A. Chambers	10 612.3	(281.5)	(89.3)	—	(370.8)	10 241.5
B. Office of the Prosecutor	48 577.9	(3 289.0)	1 605.5	(1 199.5)	(2 883.0)	45 694.9
C. Registry	178 545.4	(12 046.0)	132.0	(2 861.1)	(14 775.1)	163 770.3
D. Records management and archives	7 560.2	(552.9)	(178.4)	—	(731.3)	6 828.9
Total expenditure (gross)	**245 295.8**	**(16 169.4)**	**1 469.8**	**(4 060.6)**	**(18 760.2)**	**226 535.6**
Income						
Staff assessment income	18 049.3	(549.5)	862.4	819.3	1 132.2	19 181.5
Total (net)	**227 246.5**	**(15 619.9)**	**607.4**	**(4 879.9)**	**(19 892.4)**	**207 354.1**

[a] As approved in resolution 64/239.

Table 2
Summary of projected expenditures by object of expenditure and main determining factor
(Thousands of United States dollars)

Component	*2010-2011 appropriation*[a]	*Projected changes*				*Proposed revised appropriation*
		Exchange rate	*Inflation*	*Standards*	*Total*	
Posts	146 544.2	(10 884.2)	3 681.4	(4 879.9)	(12 082.7)	134 461.5
Other staff costs	21 232.3	(1 396.7)	(1 935.9)	—	(3 332.6)	17 899.7
Non-staff compensation	9 967.3	(281.5)	(89.6)	—	(371.1)	9 596.2
Consultants and experts	276.7	(16.5)	(5.5)	—	(22.0)	254.7
Travel of representatives	645.0	—	0.3	—	0.3	645.3
Travel	3 458.4	—	5.1	—	5.1	3 463.5
Contractual services	23 829.6	(1 676.9)	(550.5)	—	(2 227.4)	21 602.2
General operating expenses	13 400.6	(963.7)	(321.7)	—	(1 285.4)	12 115.2
Hospitality	8.3	(0.6)	(0.2)	—	(0.8)	7.5
Supplies and materials	2 539.5	(187.2)	(60.6)	—	(247.8)	2 291.7
Furniture and equipment	2 553.6	(191.6)	(61.8)	—	(253.4)	2 300.2
Improvement of premises	388.0	(21.0)	(53.6)	—	(74.6)	313.4
Grants and contributions	2 403.0	—	—	—	—	2 403.0
Staff assessment	18 049.3	(549.5)	862.4	819.3	1 132.20	19 181.5
Total (gross)	**245 295.8**	**(16 169.4)**	**1 469.8**	**(4 060.6)**	**(18 760.2)**	**226 535.6**
Income						
Staff assessment income	18 049.3	(549.5)	862.4	819.3	1 132.2	19 181.5
Total (net)	**227 246.5**	**(15 619.9)**	**607.4**	**(4 879.9)**	**(19 892.4)**	**207 354.1**

[a] As approved in resolution 64/239.

II. Explanation of the changes in net requirements

4. The changes resulting from the main determining factors reflected in tables 1 and 2 would yield a decrease of $18,760,200 in expenditure requirements, for a total revised appropriation of $226,535,600 (gross). Details are as follows:

	(Thousands of United States dollars)	
Appropriation[a]	**245 295.8**	
Variations in budgetary assumptions		
Changes in exchange rates	(16 169.4)	(Based on United Nations operational rates of exchange)
Changes in inflation assumptions	1 469.8	(Based on consumer price indices, post adjustment multipliers promulgated and actual versus budgeted cost-of-living adjustments)

	(Thousands of United States dollars)	
Adjustments to standard salary costs and common staff costs	(4 060.6)	(Based on analysis of actual payroll data, vacancies, common staff costs, recommendations of the International Civil Service Commission and staff assessment provisions consequent upon consolidation of post adjustment)
Revised total (gross)	**226 535.6**	

[a] As approved in resolution 64/239.

5. In the context of the current session of the General Assembly, the Secretary-General has issued a report on the revised estimates relating to the budget of the Tribunal for the biennium 2010-2011 (see A/65/178). The related additional estimates amounting to $34,223,000 gross ($31,056,000 net) is being handled outside the first performance report but will be revised to reflect the costing parameters approved by the Assembly in the context of its consideration of the present report. Subject to the decisions of the Assembly on the revised estimates, this would have an impact on the overall revised appropriation for the biennium 2010-2011.

A. Changes in exchange rates

(Decrease: $16,169,400)

6. The basis for recosting can be either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the operational rates in effect at the time of recosting (the latest rate). It will be recalled that, in its report on the accounts of the United Nations for the biennium ended 31 December 1995, the Board of Auditors recommended that budgetary assumptions relating to operational exchange rates be based on an averaging method instead of the latest available exchange rates (A/51/5 (Vol. I)). The Secretary-General had indicated that it would not be advisable to predetermine whether the averaging method or the latest month should be used for budget forecasting and recosting, and that such a decision should be taken at the time of each recosting. This was reported to the General Assembly and agreed to by the Advisory Committee on Administrative and Budgetary Questions, which indicated that the Secretary-General should use such rates as would allow for the lowest estimates.

7. In the present performance report, the exchange rates realized have been applied to the period from January to October 2010 and the October 2010, exchange rate has been applied to November and December 2010. For 2011, the October 2010 rate (the latest rate) has been applied for the Tanzanian shilling and the Rwanda franc, whereas the average operational rates of exchange experienced thus far in the biennium (the averaging method) have been applied for the euro, so as to allow for the lowest estimate in respect of requirements in accordance with established methodology. The decrease of $16,169,400 reflects reduced requirements for the biennium 2010-2011 owing to the appreciation of the United States dollar vis-à-vis the currencies concerned (see figures I-III below). Adjustments resulting from actual

experience in 2011 would be implemented in the second performance report for the biennium 2010-2011.

Figure I
Performance of the euro against the United States dollar: 2010

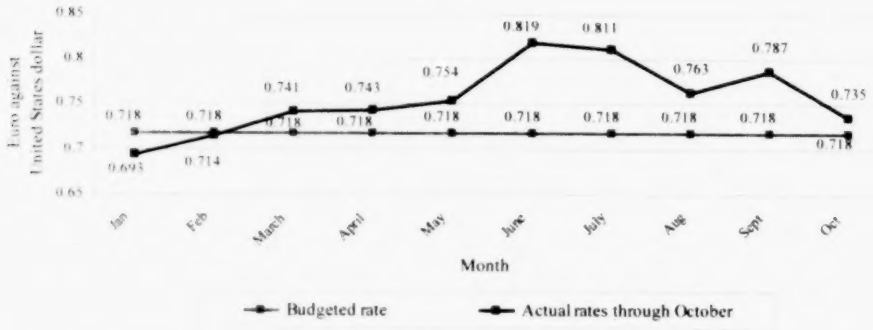


Figure II
Performance of the Rwanda franc against the United States dollar: 2010

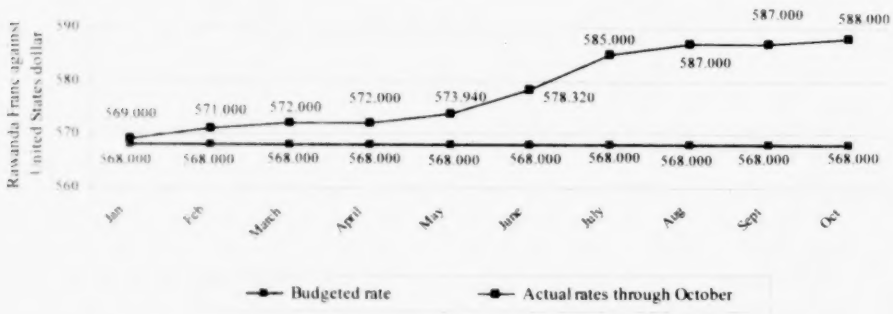
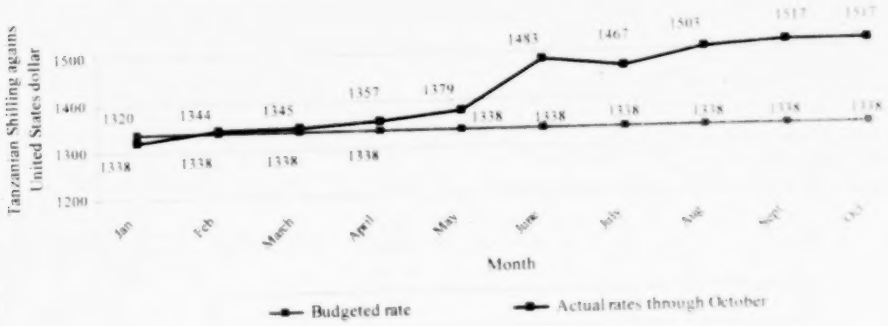


Figure III
Performance of the Tanzanian shilling against the United States dollar, 2010



B. Inflation

(Increase: $1,469,800)

8. The revised projected inflation rates applied to all objects of expenditure in Arusha, Kigali and The Hague are based on: (a) post adjustment multipliers that have been promulgated by the International Civil Service Commission (ICSC) for the Professional category and above for the period from January to October 2010 and projections based on ICSC data; (b) actual versus budgeted cost-of-living adjustments based on prevailing market conditions for the General Service and related categories as experienced in 2010 and projections for 2011; and (c) the latest available information on consumer price indices as derived from international affairs publications for non-post objects of expenditure.

9. The increased requirements relate broadly to upward cost-of-living adjustments applicable to posts in the General Service and related categories. The increase is partly offset by decreased requirements under various objects of expenditures due to lower inflation rates than those assumed in the initial appropriation. The decrease under other staff costs based on inflation rates relates to one-time provisions in 2010 for general temporary assistance related to the continuation of some of the functions slated for termination in 2009. In order to align the inflation adjustment for these provisions with that for posts, the latest standard salary cost parameters applicable to posts have been applied to the provisions under general temporary assistance, which have resulted in reduced requirements.

C. Adjustments to standard costs

(Decrease: $4,060,600)

10. The decrease of $4,060,600 results from the net effect of adjustments to standard salary costs, common staff costs and staff assessment rates. Revisions to standard salary costs for 2010 are based on the actual payroll averages experienced

thus far in the biennium, by category and level at each duty station. For the present report, January to September 2010 monthly payroll averages from Arusha, Kigali and The Hague have been analysed at each category and level and compared with those used in the initial appropriation. Projections for 2011 are based on the trends experienced in 2010.

11. Common staff costs are budgeted as a percentage of net salaries for each duty station. Expenditures under common staff costs relate to allowances and benefits, appointments, transfers and separation of staff. Adjustments to common staff costs is based on the analysis of actual common staff costs experience for all three duty stations during the biennium 2008-2009 as well as the experience thus far in 2010 compared with those assumed in the initial appropriation. Recommendations of the International Civil Service Commission with regard to hazard pay and education grant have been accommodated within these overall adjustments, consistent with established practice in this regard.

III. Action requested of the General Assembly

12. **The General Assembly is requested:**

(a) **To take note of the present report;**

(b) **To approve a revised appropriation for the biennium 2010-2011 in the amount of $226,535,600 gross ($207,354,100 net), reflecting a decrease of $18,760,200 gross ($19,892,400 net).**

Annex

Budgetary assumptions for the International Criminal Tribunal for Rwanda for the biennium 2010-2011

	Duty station											
	The Hague (euro to US dollar)				*Arusha (Tanzanian shilling to US dollar)*				*Kigali (Rwanda franc to US dollar)*			
	Initial appropriation		*Proposed estimates for the revised appropriation*		*Initial appropriation*		*Proposed estimates for the revised appropriation*		*Initial appropriation*		*Proposed estimates for the revised appropriation*	
Budget parameters	*2010*	*2011*	*2010*	*2011*	*2010*	*2011*	*2010*	*2011*	*2010*	*2011*	*2010*	*2011*
Rate of exchange	0.718	0.718	0.753	0.753	1 338.000	1 338.000	1 438.833	1 517.000	568.000	568.000	579.938	588.000
Inflation rate (percentage)	0.30	1.00	1.10	1.00	9.00	7.50	8.20	7.40	9.00	8.00	7.50	7.00
Post adjustment multiplier (percentage)	72.50	72.50	50.73	52.00	48.45	54.95	40.80	39.93	53.38	58.88	46.48	46.62
Common staff costs rate (percentage)	40.24	40.24	36.15	36.15	80.56	80.56	71.68	71.68	79.84	79.84	79.84	79.84
Vacancy rates for continuing posts (percentage)												
Professional category and above	9.50	9.50	9.50	9.50	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10
General Service and related categories	7.90	7.90	7.90	7.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90
Vacancy rates for new posts (percentage)												
Professional category and above	50.00	50.00	50.00	50.00	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10
General Service and related categories	40.00	40.00	40.00	40.00	8.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90